



July 16, 2009

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Ms. Cynthia W. Cole
Beirne Maynard & Parsons LLP
1700 Pacific Ave., Ste. 4400
Dallas, TX 75201

RE: *In Re: Superior Air Parts, Inc.*, Chapter 11, Case No. 08-36705-BJH-11
Rule 11 Agreement

Dear Ms. Cole:

RULE 11 AGREEMENT

The following is an agreement between Thielert Aircraft Engines GmbH ("TAE"), Superior Air Parts, Inc. ("Superior") and the Official Committee of Unsecured Creditors of Superior Air Parts, Inc. ("Committee") with respect to any and all rights, remedies, claims and causes of actions asserted by TAE in the above-referenced Bankruptcy Case, or that could have been asserted, or any other claim which TAE holds or may hold against the Debtor or the estate *except* any administrative claim pursuant to 11 U.S.C. §503(b)(1) ("Claim"). It is the express intent of TAE, Superior and the Committee that this agreement shall be enforceable in all respects under Rule 11 of the Federal Rules of Civil Procedure subject only to the express condition precedent stated herein.

A. Condition Precedent:

The terms of this Rule 11 Agreement are expressly conditioned upon the entry of a final, non-appealable order of the Bankruptcy Court confirming a Superior and Committee-supported Plan of Reorganization ("Plan"), which Plan will provide for the treatment of TAE's Claim in accordance with the terms and provisions of this Rule 11 Agreement. If the Plan is not confirmed, TAE, Superior and the Committee shall have no obligations to each other whatsoever under this Rule 11 Agreement and all rights, claims, privileges and defenses shall remain with TAE, Superior and the Committee, respectively, as if this Rule 11 agreement had never been executed.

B. Rule 11 Agreement Terms:

TAE, Superior and the Committee agree as follows:

1. TAE will agree to support a Plan where Superior, or the Creditor's Trust as currently contemplated by the Plan, shall, on the Effective Date, or as soon thereafter as

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is practicable, pay to TAE the sum of \$500,000 in cash in full and final satisfaction of TAE's Claim. For clarification, the term support shall mean, but not be limited to, a timely vote for a Plan with these conditions.

2. In consideration for TAE's acceptance of this treatment in a Plan, TAE shall be released from any and all claims or causes of action the Debtor may have against it as of the Confirmation Date, which shall include, but not be limited to, claims for equitable subordination and/or recharacterization of TAE's Claim as equity contributions.

3. Specifically excluded from the settlement in paragraphs 1 and 2 above are TAE's claims, if any, for any and all deliveries of goods by TAE to Superior after the Petition Date of December 31, 2008. Such claims, if allowed, shall be payable under the Plan as an administrative claim pursuant to 11 U.S.C. § 503(b)(1).

Nothing contained herein shall be interpreted or construed as an act or omission in violation of the United States Bankruptcy Code or the regulations and rules promulgated thereunder. In the event that any such interpretation or construction is made or implied as to any term herein, any such term shall be rendered null and void and of no effect whatsoever. It is the intent of the parties to get this agreement approved by the Bankruptcy Court through the terms of the Plan.

If the above terms are acceptable to TAE, please confirm same by signing in the space provided below. Please let me know if you have any questions.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'Duane J. Brescia', written over a horizontal line.

Duane J. Brescia

DJB:ajd

(see next page for signatures)



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AGREED:

Thielert Aircraft Engines GmbH

BY: Counsel for Thielert Aircraft Engines GmbH

A handwritten signature in cursive script, appearing to read 'C. Cole'.

Cynthia Cole, Esq.

Beime Maynard & Parsons, LLP

Superior Air Parts, Inc.

BY:

A handwritten signature in cursive script, appearing to read 'K. Abercrombie'.

Kent Abercrombie

President/CEO

Bankruptcy Counsel for Superior Air Parts, Inc.

BY:

A handwritten signature in cursive script, appearing to read 'S. Roberts'.

Stephen A. Roberts, Esq.

Strasburger & Price, LLP

Official Committee of Unsecured Creditors of Superior Air Parts, Inc.

BY: Counsel for the Official Committee of Unsecured Creditors of Superior Air Parts, Inc.

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David W. Parham, Esq.

Baker & McKenzie